

## Agency Overview

The Department of Administration, created in 1967, provides business solutions for Idaho government. Enabled by Idaho Code Title 67, Chapter 57, the Department is committed to offering leadership, expertise, and value-added state management functions. Pamela I. Ahrens was appointed Director in 1995 by Governor Phil Batt, and reappointed in 1999 and 2003 by Governor Dirk Kempthorne.

The Department is authorized 173.6 FTP's and organized into four divisions: The Divisions of Internal Management Systems, Purchasing, Public Works, and Information Technology and Communication Services. It also staffs the Idaho State Capitol Commission, the Governor's Housing Committee, the Information Technology Resource Management Council, the Idaho Emergency Communications Commission, and the Permanent Building Fund Advisory Council. (Organizational chart attached.)

In the Boise/Meridian area, the Department is housed in three separate locations on the Capitol Mall, and at four locations outside of the Capitol Mall. The Division of Public Works has satellite offices in Idaho Falls, Pocatello, Lewiston, and Moscow; and, Facilities Services manages the two State Office Buildings in Lewiston and Idaho Falls. Microwave Services has operations located in six districts—Boise, Coeur d'Alene, Lewiston, Twin Falls, Pocatello, and Rigby.

Because of efficiencies realized in the centralization of Department staff, Administration is able to continue to take on extra tasks. Most recently, for example, both its accounting and IT network expertise have been made available to several small agencies and commissions. In the facilities management area, the Borah Building was acquired, and the Capitol Building exterior restoration project implemented. Staff is now preparing for its interior restoration while supporting the Legislative Interim Task Force on the Capitol Restoration. Along with the Governor's Housing Committee, Administration is working on the transfer and reconfiguration of the home donated to the state by the Simplot family. The Department is also in the process of implementing the Governor's Long Term Health Care initiative for state employees, and providing support for the new Idaho Emergency Communications Commission.

The primary challenge of the Department is its staffing levels. In order to continue adding to the Department's scope of work and responsibilities, we will need to enhance the size of our existing pool of human resources.

## Core Functions/Idaho Code

Authorized under Title 57, Chapter 67.

**Internal Operations Division:** Conducts administrative tasks for the Department; executes the function of the Administrative Procedures Act; maintains liability and property insurance for state entities; contracts and administers medical, dental, life, flexible spending account, disability and integrated behavioral benefit contracts for state employees and retirees; manages the workers compensation system's "second injury fund" encouraging employers to hire impaired workers by offering relief from potential total and permanent disability liability; and staffs the Idaho State Capitol Commission and the Governor's Housing Committee. (Idaho Code Sections 67-5760 – 5778; 72-323 – 409; Title 67, Chapter 52; 67-455; 67-1601 – 1612)

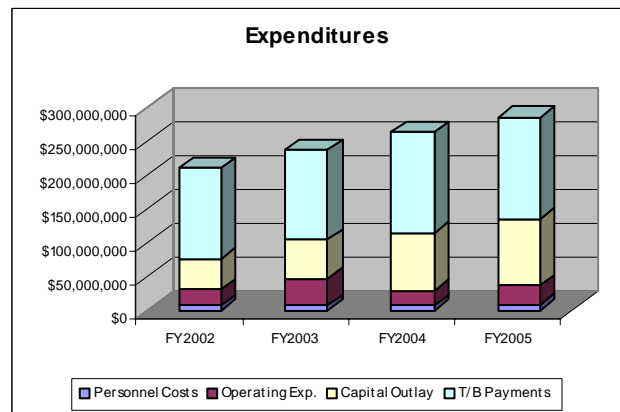
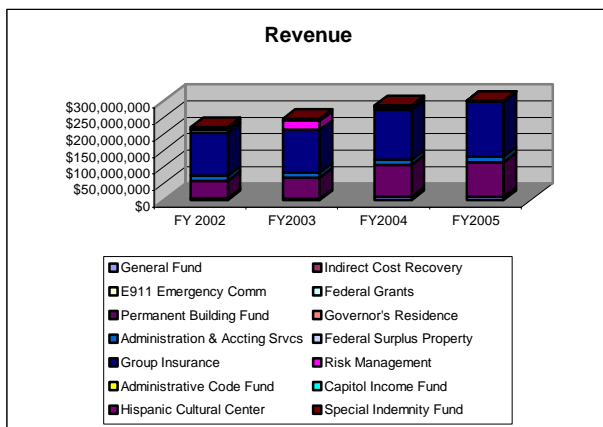
**Purchasing Division:** Coordinates bids and contracts for goods and services for state government; conducts diligent dispensing of government documents through the reproduction, mailing, and storage/retrieval of the state's paper records; and, serves as clearinghouse for the federal government's surplus properties. (Idaho Code Sections 67-5714 – 5753)

**Public Works Division:** Manages the state's existing facility assets; assists agencies in searching for and leasing non state-owned office space; oversees design and construction of new state buildings; and, staffs the Permanent Building Fund Advisory Council. (Idaho Code Sections 67-5705 - 5713)

**Information Technology and Communication Services Division:** Provides leadership towards, and oversight of, state information technology innovations; guarantees reliable communications with and within state government through telephone, IT networks, and Internet functions; supports first responders in the state with microwave and radio access; and staffs the Information Technology Resource Management Council and the Idaho Emergency Communications Commission. (Idaho Code Sections 67-5745 - 5748; 31-4815 – 4818)

## Revenue and Expenditures

Revenue	FY 2002	FY 2003	FY 2004	FY 2005
General Fund	\$4,408,200	\$2,700,600	\$8,699,900	\$8,567,400
Indirect Cost Recovery	\$1,135,100	\$1,057,800	\$1,076,100	\$1,148,500
E911 Emergency Comm.				\$72,000
Federal Grants	\$2,500	\$15,000	(\$1,700)	\$18,000
Permanent Building Fund	\$51,869,900	\$63,637,200	\$96,299,500	\$104,659,000
Governor's Housing Fund	\$92,700	\$73,500	\$74,700	\$66,500
Admin. & Accounting Svcs.	\$15,415,000	\$15,247,900	\$15,513,000	\$16,383,000
Federal Surplus Property	\$406,400	\$343,600	\$525,400	\$332,000
Group Insurance	\$130,529,900	\$128,947,400	\$151,253,900	\$166,840,000
Risk Management	\$8,041,400	\$27,172,200	\$7,827,500	\$6,385,600
Administrative Code Fund	\$520,600	\$525,700	\$527,300	\$513,000
Capitol Income Fund	\$2,314,000	\$346,900	\$246,500	\$2,295,900
Hispanic Cultural Center	\$5,100	3,700		
Special Indemnity Fund	\$5,654,200	\$5,497,900	\$4,739,200	\$4,861,100
<b>Total</b>	<b>\$220,395,000</b>	<b>\$245,569,400</b>	<b>\$286,781,300</b>	<b>\$312,142,000</b>
Expenditure	FY 2002	FY 2003	FY 2004	FY 2005
Personnel Costs	\$8,350,500	\$8,218,200	\$8,292,100	\$8,677,100
Operating Expenditures	\$22,438,800	\$39,113,500	\$21,971,300	\$28,536,800
Capital Outlay	\$45,966,200	\$57,516,800	\$84,496,100	\$97,409,800
Trustee/Benefit Payments	\$133,763,000	\$132,211,200	\$147,902,000	\$150,195,600
<b>Total</b>	<b>\$210,518,500</b>	<b>\$237,059,700</b>	<b>\$262,661,500</b>	<b>\$284,819,300</b>



**Profile of Cases Managed and/or Key Services Provided**

<b>Cases Managed and/or Key Services Provided</b>	<b>FY 2002</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
<b><u>Internal Management Systems Division:</u></b>				
# of rules promulgated.	229	186	191	206
# of property, casualty, liability, and auto insurance claims reported.	1,172	1,476	1,137	941
# of active employees enrolled in state's group insurance.	19,115	19,250	18,076	18,495
# of active employee dependents enrolled in state's group insurance.	24,298	24,561	23,022	22,813
# of retirees enrolled in state's group insurance.	2,964	2,965	3,035	3,117
# of retiree dependents enrolled in state's group insurance.	1,386	1,401	1,401	1,440
<b><u>Purchasing Division:</u></b>				
# of agency boxes of records stored.	32,500	34,900	37,900	41,500
# of impressions made at the Copy Center.	7,786,633	6,713,433	7,139,428	7,164,286
# of postage pieces mailed.	7,000,180	7,793,251	7,627,350	7,428,300
# of P-card transactions.	152,634	169,507	202,570	220,975
\$ total value of P-card usage.	\$21,748,191	\$25,787,009	\$32,839,375	\$36,032,599
# of purchasing personnel trained.	435	566	533	891
\$ amount of Federal Surplus Property items sold.	\$387,282	\$317,458	\$411,516	\$321,321
<b><u>Public Works Division:</u></b>				
\$ appropriated for Public Works projects not including agency funds.	\$103,030,000	\$17,663,800	\$28,993,400	\$21,337,700
# of new Public Works projects.	221	137	161	183
# of closed Public Works projects.	177	153	141	249
# s.f. office space leased statewide.	1,896,531	1,897,419	1,855,721	2,059,703
\$ for office space leased statewide.	\$21,035,238	\$21,327,369	\$21,805,106	\$23,054,923
# on-line work orders from tenants in the Capitol Mall.	1,872	2,068	2,107	1,710
<b><u>Information Technology and Communication Services Division:</u></b>				
# of spam messages blocked from the state's e-mail system.	N/A	N/A	7,213,008	30,623,088
# of viruses blocked from the state's e-mail system.	N/A	N/A	1,813,835	2,905,913
# of Idaho government services and applications on-line.	80	88	95	108
# of virtual visitors to the Idaho home page.	84,882,741	95,148,930	97,674,860	57,121,242
# of work tickets for public safety communications repair and maintenance closed-out and billed.	5,383	5,433	6,588	7,361

## **Performance Highlights**

### **Microwave Modernization Accomplished**

During this past year, the final leg of the State's Microwave backbone was completed from Idaho Falls to Salmon. This was part of a 10-year, \$14.5 million project to upgrade the state's microwave system from analog to digital technology. Interoperability of first responders is the next challenge.

Idaho's microwave system is one of the largest of its kind in the lower 48 states, covering 1,200 miles with 103 repeater sites in some of the most remote locations in the state. The microwave system serves public safety officials, state agencies, and supports digital broadcasting for Idaho Public Television.

### **Long Term Health Insurance Implementation**

Early in 2005, the Department began the process of responding to Governor Kempthorne's initiative to implement an employee-paid Long Term Care (LTC) program for active state employees and spouses, adult children/spouses, parents, parents-in-law, grandparents, grandparents-in-law, and for retired state employees and their spouses. Subsequent to a formal selection process, the Long-Term Care Task Force recommended Aetna Life Insurance Company as the state's group long-term care insurance provider.

LTC pays for custodial and supervisory care. This new employee-paid coverage will bridge gaps between what is covered through the state's employee health insurance and costs associated with home health care, adult day care, assisted living and nursing facility costs. The plan will be marketed through the end of calendar year 2005, including education and enrollment activities, and will be implemented in February 2006.

### **Improvements in Group Insurance Administration**

The State's medical plan was remarketed during 2004 and 2005 with contracts awarded to Blue Cross of Idaho. Because the Governor and the Legislature appropriated an additional \$632 per employee for FY06, there were no premium increases assessed employees enrolled in the Preferred Provider Organization, and minimal increases to those enrolled in the Traditional Plan coverage. No changes were made to the prescription benefits for either plan. Coverage of two commonly ordered blood tests were added to the Wellness benefit, and disease management programs for congestive heart failure and diabetes also became available as part of the new contract.

The Department partnered with the State Controllers Office to create an on-line insurance enrollment application. State employees can now make changes electronically to their medical plan and pre- or post-tax premium withholding option.

### **Capitol Mall Energy Savings Performance Contract**

This purpose of this energy conservation project, which includes most of the buildings in the Capitol Complex, is designed to decrease the amount of energy consumed in the Mall. The resulting energy savings will pay for the improvements. The contract includes a guaranteed utility savings provision--the design will reduce utility costs by just over \$250,000/year the first year after installation. This is accomplished through lighting and lighting control retrofits, heating-ventilating-air-conditioning retrofits, building automation system retrofits, and water saving measures. The retrofit installations were recently completed for an initial cost of about \$3.8 million, which included a detailed engineering study of the entire Capitol Mall. The payback period is 18 years.

### **DPWeb System Completed**

In 2003, Phase I of the DPWeb system was implemented--an automated financial accounting system that provides financial reporting and current Division of Public Works (DPW) project status to state agencies. The second phase of the DPWeb system was accomplished in 2005, which not only assists Department staff in managing the multitude of projects administered concurrently, but also provides enhanced service to customer agencies. Agencies now have financial data, scheduling information, and status reports in regard to their projects at their fingertips.

**Improved Communications**

A component of the Department's Communication's Plan is to issue an annual customer satisfaction survey to our internal customers in state government. Our intent was to solicit ideas for improving communications, and to encourage candid feedback on approaches for making the services we provide easier to access.

As a result of the survey responses in 2005, we reconfigured and simplified our Department website keeping in mind the needs of our two unique groups of customers--internal customers: agencies and individual state employees; and, external customers: citizens, businesses, and vendors. Subsequent to the installation of a brand new search capability, our website was launched in November 2005.

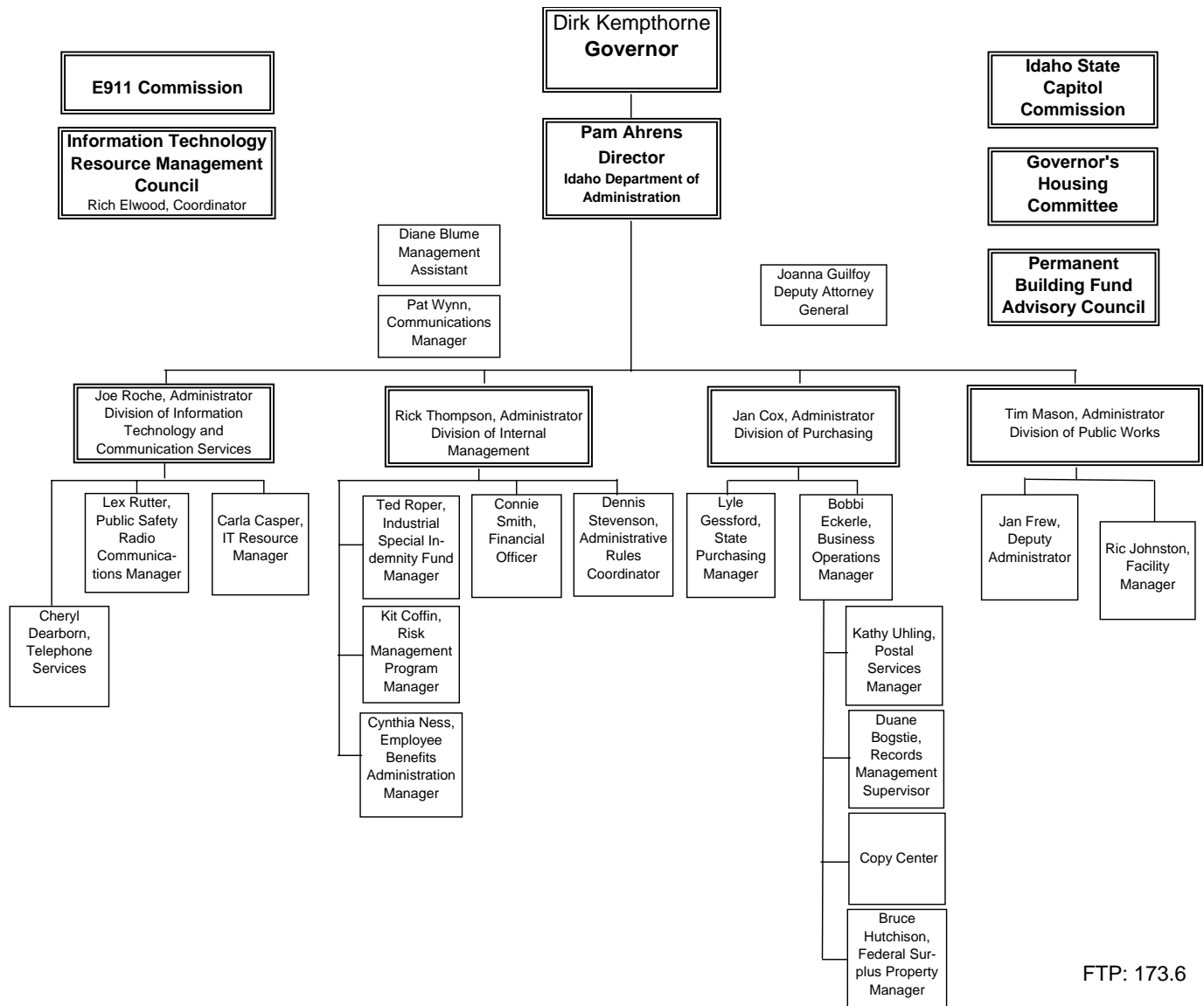
**Capitol Restoration**

The first phase of the Capitol Restoration project—its exterior—auspiciously progresses under the purview of the Division of Public Works. The Legislature appropriated a total of about \$5 million to complete the Capitol exterior preservation and repair work, initiated in 2001. This latest portion of the exterior work has included skylight repairs and drainage work around the perimeter of the building to make sure water does not damage its foundation, and most noticeable the historic restoration of the eagle that sits atop the dome. Repairs and replacement of the Capitol roof will be accomplished concurrently. All work is done with the challenge of disrupting tenants of the building as little as possible. This exterior work is proceeding within budget and is on schedule to be complete during the spring of 2006.

This year the Department lent support to the Legislative Interim Task Force on the Capitol Restoration. With the help of project management consultant 3DI/Lemley, analysis was provided for various major restoration/addition options, tenant relocation scenarios, as well as cost estimates and other information required as part of the Task Force deliberations.

**For More Information Contact**

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